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Executive Vice President and CFO leaving AHS

EDMONTON – Alberta Health Services (AHS) Executive Vice-President and Chief Financial Officer (CFO), Allaudin Merali, is leaving AHS, effective immediately.

Earlier this year, AHS received a request under the Freedom of Information and Protection of Privacy Act (FOIPP) for records related to expense claims by Mr. Merali from January 2005 to August 2008, including travel costs, while he was Executive Vice-President and CFO with the former Capital Health Region.

The documents requested under FOIPP were released to the applicant July 27th and will be posted online today at www.albertahealthservices.ca. They relate to 146 claims totaling \$346,208.

“Mr. Merali’s responsibilities in previous roles in health care included developing relationships with external partners, businesses and service providers and acting as an official representative in numerous meetings and functions. This included hosting events as well as representing the organization locally, nationally and internationally. These were an integral and necessary part of his duties,” said Acting CEO Chris Mazurkewich, Executive Vice-President and Chief Operating Officer.

“However, after reviewing the records, we are concerned, and Mr. Merali agrees, that they will detract from his ability to act as AHS’ Chief Financial Officer, and that AHS will be put into a position where its commitment to uphold the highest standards of accountability and public confidence in Alberta Health Services could be left open to doubt,” Mazurkewich said.

The decision was made in consultation with Dr. Chris Eagle, AHS President and CEO, who is on vacation. Mr. Merali will receive a severance in accordance with the terms of his employment contract.

“AHS must achieve the most comprehensive standards of transparency in Canada, consistent with expectations in the public sector, and we must also meet the test of public confidence in Alberta Health Services,” Mazurkewich said. “We must demonstrate in both policy and action our commitment to meet Albertans’ expectations.”

“It is important to be clear that the appropriate and accepted policies and processes were in place relating to expenses incurred in Mr. Merali’s former role, and at that time they reflected the standards in public sector organizations,” Mazurkewich added. “Those standards have been elevated, and since Alberta Health Services was created, new policies and standards have been adopted that, in the future, will include regular public reporting of expenses.”

When AHS was created, the Board of Directors requested a new, comprehensive group of detailed, Board-approved policies. They include Travel, Hospitality and Hosting and Conflict of Interest.

AHS is confident its current policies and practices meet or exceed national standards. However, we have asked the Auditor General to review these policies and practices, and provide direction and advice on if and how they can be improved.

“We have requested an assessment of whether AHS policies are consistent with best practices expected of public sector organizations in Canada, and whether there is compliance with these policies,” Mazurkewich said. “We welcome any recommendations that will improve our systems and processes and underscore our commitment to transparency.”

AHS announced today that it will publicly post records of paid expenses for the CEO, and the Executive Vice-Presidents and Senior Vice-Presidents that report directly to the CEO. All Executive expenses will be summarized and posted on an AHS web page in the coming weeks, and will be updated quarterly.

The posting protocols used by the office of the Alberta Auditor General will be adopted as the template for reporting.